

Noted

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26 January 1954

MEMORANDUM 1: Recent Shipments of Atomic Energy Materials
to the Soviet Bloc, 15 January 1954

Introduction:

Additional reports have been received regarding these transactions, some of which appear to be of special current interest. Although the analysis of these reports has not yet been completed, it was felt that a brief summary based on some of the more important ones should be prepared at this stage in view of the time factor involved.

Additional Information:

Enclosure B of the original memorandum mentioned that the Belgian government had been asked to procure a court order which would recall the Hamburg shipment and prevent the on-movement of the shipments at Antwerp. When it became apparent that such an order was not likely to be obtained, it was suggested by this government that recall be demanded through diplomatic intervention by the Belgian government. Although the Belgian government informed our Embassy that it had sent the necessary instruction to its Bonn Embassy, the Belgian government, on 15 January 1954, merely requested the Federal Government to detain the material until an acceptable disposition was found.

The Belgians took no further steps and alternative suggestions that the Belgian government or a Belgian firm (particularly AUXILIAIRE MATIERES CHIMIQUES) repurchase the material had to come from other US ports. The Department of State, therefore, felt that Belgium had not demonstrated much cooperation nor much anxiety in finding a solution, and on 22 January 1954 requested the US Ambassador to intervene with both the Minister of Foreign Affairs and the Minister of Foreign Commerce to achieve an immediate solution.

Although the US government was particularly perturbed by Belgium's lack of action, because it was Belgium which had not lived up to its international commitments, the other parties involved in this case, showing varying degrees of cooperation, had not found a solution either.

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Expanded Scope of Thorium Trade:

An indication of increasing activity in thorium trade is highlighted by two recent reports.

- (1) According to information acquired in November 1953, 316 Kilograms of thorium, to be supplied by AIR LIQUIDE S.A.R.L. of Paris, will be sent to Prague from France via the diplomatic pouch of the Czech embassy within the 'next few weeks'. Although no further information has been received by E/ST, shipment may already have taken place.
- (2) According to information acquired in October 1953, Ceylon will be able to supply an estimated 1,500 tons of rare earths in 1954. It is expected to have 100 tons of monazite sand available by 1 May 1954 which it intends to sell to any country interested. Soviet Russia has expressed such interest.

Liaison with the Department of State discloses that appropriate posts have been informed of the substance of both reports.